UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

Ex parte CARY LEE BATES, STEVEN PAUL JONES,
ERIC JOHN NELSON and JOHN MATTHEW SANTOSUOSSO

Appeal No. 2005-2126
Application No. 09/553,010

ON BRIEF

Before DIXON, BARRY, and SAADAT, Administrative Patent Judges.
SAADAT, Administrative Patent Judge.

DECISION ON APPEAL

This is a decision on appeal from the Examiner's final rejection of claims 1-9, 13, 17-26, 29 and 30. Claims 1-12, 14-16, 27 and 28 have been canceled.

We affirm-in-part.

BACKGROUND

Appellants' invention relates to determining the transaction cost related to operating a vehicle according to the risks associated with the actual usage of the vehicle based on the vehicle location. According to Appellants, by tracking the

vehicle location, a determination is made during a time period associated with an economic transaction as to whether the vehicle is located at a location having an increased level of risk (specification, page 4).

Representative claims 1 and 5 are reproduced as follows:

1. A method of conducting an economic transaction associated with rental of a vehicle over a period of time, the method comprising:

(a) tracking the location of the vehicle during at least a portion of the period of time associated with the rental, including detecting that the vehicle is located at a location having an increased level of risk; and

(b) adjusting a cost associated with the economic transaction associated with the rental at least in part based on the location of the vehicle at the location having the increased level of risk.

5. The method of claim 3, wherein tracking the location of the vehicle further includes determining a current region for the vehicle from the calculated location, wherein calculating the location of the vehicle includes calculating a second location for the vehicle at a second point in time, and wherein storing the timestamped entry in the database includes storing a second timestamped entry in the database for the second calculated location only if the region associated with the second calculated location differs from the region associated with the first calculated location.

The prior art references of record relied upon by the Examiner in rejecting the appealed claims are:

Strong	6,006,148	Dec. 21, 1999
McMillan et al. (McMillan)	6,064,970	May 16, 2000 (filed Aug. 17, 1998)
Keith et al. (Keith)	6,393,346	May 21, 2002 (filed Mar. 10, 2000)

Claim 1-9, 13, 17-26, 29 and 30 stand rejected under 35 U.S.C. § 103 as being unpatentable over McMillan, Keith and Strong.[1]

Rather than reiterate the opposing arguments, reference is made to the brief and answers for the respective positions of Appellants and the Examiner. Only those arguments actually made by Appellants have been considered in this decision. Arguments which Appellants could have made but chose not to make in the brief have not been considered (37 CFR § 41.37(c)(1)(vii)).

OPINION

With respect to the rejection of claim 1, we observe that the Examiner relies on McMillan and Keith for teaching the claimed adjusting the cost associated with a car insurance as an economic transaction related to a vehicle and on Strong for disclosing an economic transaction "associated with rental" of a vehicle over a period of time (answer, page 12). The Examiner further concludes that by using the automated vehicle return system, the added time and/or cost associated with processing the usage information from a returned vehicle is minimized (id.).

[1] The Examiner includes the claim rejections from an earlier non-final office action in the answer. We assume that these rejections, which were not a part of the final rejection, were inadvertently included and therefore, are not before this panel.

The focus of Appellants' argument is that the applied prior art does not suggest the desirability of modifying McMillan to utilize vehicle location data to adjust the cost of a vehicle rental (brief, page 4). Appellants further point out that Strong, although directed to vehicle rental, neither includes location tracking nor suggests the use of location-based data in the calculation of the cost of a vehicle rental (brief, page 5). We disagree and find the Examiner's position (answer, page 16) that charging an additional fine to the rental customer for extraordinary wear and tear of the vehicle based on the usage data collected from the vehicle in Strong (col. 9, lines 11-19) may be also based on location data to be reasonable and sufficient evidence in support of the combination. Additionally, in response to the prima facie case obviousness presented by the Examiner, Appellants have failed to offer any convincing arguments to show any error in the Examiner's position.

Upon a review of the references, we note that McMillan specifically teaches adjusting the cost of insurance as the cost of a transaction associated with operating a vehicle (col. 3, lines 61-66) based on the way the vehicle is driven (col. 4, lines 26-46) and the location of the vehicle during the transaction (col. 4, lines 47-60). In particular, the location

of the vehicle is checked to determine whether it is in a high risk location (col. 4, lines 50-51 and 62-63) by tracking the vehicle through navigation signals obtained from a global positioning system (GPS) (col. 6, lines 59-63). As properly argued by the Examiner (answer, page 15), Strong provides for another type of vehicle transaction wherein the vehicle usage data is used for adjusting the cost (col. 12, lines 59-67). The motivation, suggestion or teaching may come explicitly from statements in the prior art, the knowledge of one of ordinary skill in the art, or, in some cases the nature of the problem to be solved. See In re Dembiczak, 175 F.3d 994, 999, 50 USPQ2d 1614, 1617 (Fed. Cir. 1999). Here, although the presence of the vehicle in a high-risk location is not specifically considered by Strong, a rental agreement is suggested as a transaction associated with the operation of a vehicle in which the cost is adjusted based on the usage determined by obtaining the vehicle information. Therefore, one of ordinary skill in the art would have used the location tracking of McMillan and Keith in combination with a rental agreement as additional usage data applied for determining the actual vehicle usage and adjusting the cost of operating the rental vehicle.

Turning next to the rejection of claim 5, we observe the additional limitation of storing a second timestamped entry only if the region associated with the second location is different from the first location. We do not agree with the reasoning advanced by the Examiner (answer, page 20) since what the examiner relies on in Keith is merely tracking the vehicle at predetermined locations that are scheduled to be visited by the vehicle (col. 2, lines 8-11). As argued by Appellants (brief, page 7), the periodic storing of the vehicle location is performed at regular time or distance intervals or at specific predetermined locations (col. 4, lines 10-19). In contrast, the claimed process requires storing the location data only when the vehicle has crossed the boundary of a region into another region. In that regard, there is nothing in Keith that relates to any regions associated with the current or subsequent calculated location of the vehicle that determines whether a timestamped entry in the database should be stored for the second location of the vehicle, as recited in claim 5.

Thus, in view of the analysis above, we find the Examiner's reliance on the combination of McMillan, Keith and Strong to be reasonable and sufficient to support a prima facie case of obviousness with respect to independent claim 1 but not with

regard to claim 5. Since Appellants have not argued the other claims with any reasonable specificity and claim 21 recites limitations similar to those of claim 5, the 35 U.S.C. § 103 rejection of independent claim 1, as well as claims 2-4, 7-9, 13, 17-20, 23-26, 29 and 30 is sustained but not with respect to the rejection of claims 5, 6, 21 and 22.

CONCLUSION

In view of the foregoing, the decision of the Examiner rejecting claims 1-4, 7-9, 13, 17-20, 23-26, 29 and 30 under 35 U.S.C. § 103 is affirmed, but reversed with respect to rejecting claims 5, 6, 21 and 22.

No time period for taking any subsequent action in connection with this appeal may be extended under 37 CFR § 1.136(a)(1)(iv).

AFFIRMED-IN-PART

JOSEPH L. DIXON)
Administrative Patent Judge)
)
)
)
LANCE LEONARD BARRY) BOARD OF PATENT
Administrative Patent Judge) APPEALS
) AND
) INTERFERENCES
)
)
MAHSHID D. SAADAT)
Administrative Patent Judge)

MDS/gjh

Appeal No. 2005-2126
Application No. 09/553,010

WOOD, HERRON & EVANS, L.L.P. (IBM)
2700 CAREW TOWER
441 VINE STREET
CINCINNATI, OH 45202